

The Redevelopment Agency of the City of San Diego

The California Community Redevelopment Act was enacted in 1945 to address problems common throughout not only California but the country. The Community Redevelopment Act gave cities and counties the authority to establish redevelopment agencies, gave these agencies the authority to attack problems of urban decay, and enabled the agencies to apply for grants and loans from the federal government.

The City Council of the City of San Diego established the Redevelopment Agency of the City of San Diego in 1958. Although City Council members serve as the Board of Directors of the Redevelopment Agency, the Agency is a separate, legally constituted body which operates under the authority granted by redevelopment law.

A Redevelopment Project Area is established by the City Council after an extensive study of the area has been conducted. Conditions of blight which deter new development and create a burden on the community, as defined by the law, must be documented and an environmental impact report must be prepared. Community participation, public noticing and public comment are major aspects of the process. The Planning Commission makes a recommendation to the City Council which, after conducting a public hearing, votes on whether or not to establish the area for redevelopment.

Once the project area is established, the tax base within the boundaries of the project area is "frozen," for a period not to exceed 30 years, as far as other taxing entities are concerned.

<u>Project Area</u>	<u>Acres</u>
Barrio Logan	133
Central Imperial	580
Centre City	1,398
City Heights	1,984
College Community	131
College Grove	167
Crossroads	1,031
Gateway Center West	59
Grantville	970
Horton Plaza	41
Linda Vista	12
Mount Hope	210
Naval Training Center	504
North Bay	1,360
North Park	555
San Ysidro	766
Southcrest	301
Total Projects	10,202
 Study Areas	
Barrio Logan Expansion	692
Dells Imperial	960
Total Study Areas	1,652

Project Areas are approximately 4.8% of the City's total 211,840 acres. Projects and study areas are approximately 5.6% of City acreage.

All revenues from the growth in assessed valuation are allocated to the Agency for the redevelopment of the project area. California Redevelopment Law requires 20 percent of tax increment revenue to be set aside to provide housing for low and moderate income households. Where possible, the Agency leverages its funds by working in partnership with nonprofit housing organizations, private developers and other governmental agencies.

Agency Organization

The City Council is the Board of Directors of the Redevelopment Agency. Due to transition to the strong-mayor form of government, the Mayor has been named as the Executive Director. Project implementation and administration for the Agency are provided by three organizations:

- Centre City Development Corporation (CCDC)
- Southeastern Economic Development Corporation (SEDC)
- City Redevelopment

The corporations are public non-profits established by the City Council, with the City of San Diego as the sole member of each corporation.

Centre City Development Corporation

In 1975, the City Council established the Centre City Development Corporation as a non-profit public corporation to implement redevelopment projects in the downtown area. The Corporation is governed by a seven-member Board of Directors appointed by the City Council. CCDC administers the Centre City and Horton Plaza project areas.

Southeastern Economic Development Corporation

The Southeastern Economic Development Corporation was established as a non-profit corporation by the City Council in 1980 and is governed by a nine-member Board of Directors appointed by the City Council. SEDC also carries out projects for the City in Southeastern San Diego and reports to the Council on such matters.

SEDC administers four project areas:

- Central Imperial
- Gateway Center West
- Mount Hope
- Southcrest

SEDC also oversees plan adoption activities for the Dells Imperial Study Area.

City Redevelopment

City Redevelopment has a staff of 28.00 full-time equivalents to implement eleven redevelopment project areas totaling over 7,600 acres. The division also performs general administration for the Redevelopment Agency, coordinating budget and reporting requirements and maintaining the Agency's meeting docket and official records. The project areas managed by the division include:

- Barrio Logan
- City Heights
- College Community
- College Grove
- Crossroads
- Grantville
- Linda Vista
- Naval Training Center
- North Bay
- North Park
- San Ysidro

Redevelopment Agency of the City of San Diego
FISCAL YEAR 2008 BUDGET SUMMARY

REVENUES AND EXPENDITURES
(In Thousands)

	CCDC	SEDC	City Redev	Agency Total
Revenue				
Tax Increment	\$102,127	\$6,782	\$40,513	\$149,422
Prior Year Tax Revenues	32,960	0	2,507	35,467
Bond, Line of Credit Proceeds	60,115	24,206	42,153	126,474
Re loans	0	1,126	0	1,126
Interest/Rent/Property	19,384	36	634	20,054
Developer Proceeds	2,950	110	923	3,983
City Loans	0	200	0	200
Other	0	0	220	220
FY 2008 Revenue	\$217,536	\$32,460	\$86,950	\$336,946
Expenditures				
Capital Projects	\$84,071	\$15,058	\$25,210	\$124,339
Low/Mod Housing ⁽¹⁾	74,088	7,496	30,796	112,380
Administration	9,356	2,577	7,622	19,555
Tax Sharing Payments	13,400	699	9,918	24,017
Debt Service/Project Reserve	36,621	6,630	13,404	56,655
FY 2008 Expenditures	\$217,536	\$32,460	\$86,950	\$336,946

⁽¹⁾ Excludes CCDC Admin

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FISCAL YEAR 2008 BUDGET SUMMARY

GROSS TAX INCREMENT
(In Thousands)

	Budget FY 2006	Budget FY 2007	Budget FY 2008	Change
Gross Tax Increment to Agency				
<u>City Redevelopment</u>				
Barrio Logan	\$387	\$460	\$464	\$4
City Heights	10,047	12,557	13,052	\$495
College Community	245	770	852	\$82
College Grove	821	759	705	-\$54
Crossroads	1,756	4,228	3,220	-\$1,008
Grantville	0	565	432	-\$133
Linda Vista	81	98	86	-\$12
Naval Training Center	4,044	5,215	4,289	-\$926
North Bay	4,405	5,626	7,022	\$1,396
North Park	4,220	5,772	6,064	\$292
San Ysidro	2,264	3,469	4,327	\$858
Total City Redevelopment	\$28,270	\$39,519	\$40,513	\$994
<u>CCDC</u>				
Centre City	\$57,406	\$71,667	\$93,855	\$22,188
Horton Plaza	5,868	7,391	8,272	\$881
Total CCDC	\$63,274	\$79,058	\$102,127	\$23,069
<u>SEDC</u>				
Central Imperial	\$1,736	\$1,910	\$2,313	403
Gateway Center West	321	271	282	11
Mount Hope	1,109	1,393	1,378	(15)
Southcrest	1,126	1,520	2,809	1,289
Total SEDC	\$4,292	\$5,094	\$6,782	\$1,688
Total Gross Tax Increment	\$95,836	\$123,671	\$149,422	\$25,751

	Budget FY 2006	Budget FY 2007	Budget FY 2008	Change
Gross Tax Increment ⁽¹⁾	\$95,836	\$123,671	\$149,422	\$25,751
Less:				
County Fees	\$0	\$258	\$86	-\$172
ERAF	6,869	-	-	\$0
Housing Set-Aside	18,882	24,409	29,305	\$4,896
Tax-Sharing Agreements	12,758	20,055	24,017	\$3,962
Debt Service/Loan Repayments	43,504	44,824	52,843	\$8,019
Total Deductions	\$82,013	\$89,546	\$106,251	\$16,705
Net Tax Increment	\$13,823	\$34,125	\$43,171	\$9,046

⁽¹⁾ As of FY 2007, County Fees are classified as an expenditure